

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

**LIMITED OBJECTION AND RESERVATION OF RIGHTS AS TO
THE MOTION OF THE BANKRUPTCY ADMINISTRATOR TO
APPOINT AN OFFICIAL COMMITTEE OF TALC CLAIMANTS**

The law firm of Maune Raichle Hartley French & Mudd, LLC (“Maune Raichle”), by and through the undersigned counsel, hereby submits this limited objection and reservation of rights (the “Limited Objection”) as to the *Motion of the Bankruptcy Administrator to Appoint an Official Committee of Talc Claimants* [Docket No. 227] (the “Appointment Motion”) filed by the United States Bankruptcy Administrator for the Western District of North Carolina (the “Bankruptcy Administrator”) on October 28, 2021, in the Chapter 11 case (the “Chapter 11 Case”) of the above-captioned debtor (the “Debtor”). In support of this Limited Objection, Maune Raichle respectfully states as follows:

1. Johnson & Johnson (“J&J”) first began selling JOHNSON’S® Baby Powder in 1894.² In the 1960s, J&J began selling asbestos-containing Shower-to-Shower body powder.
2. In 2021, a now-defunct entity named Johnson & Johnson Consumer Inc. (“Old JJCI”) implemented a corporate restructuring (the “2021 Corporate Restructuring”), which was

¹ The last four digits of the Debtor's taxpayer identification number are 6622. The Debtor's address is 501 George Street, New Brunswick, New Jersey 08933.

² Declaration of John K. Kim in Support of First Day Pleadings [Docket No. 5] (the “First Day Declaration”) at ¶ 10.

completed on October 12, 2021.³ As a result of that restructuring, Old JJCI ceased to exist and two new entities were created: (a) the Debtor, which was initially formed as a Texas limited liability company and then converted into a North Carolina limited liability company;⁴ and (b) another entity, which was initially formed as a Texas limited liability company, then merged into a New Jersey corporation that was its direct parent (as well as the direct parent of the Debtor), whereupon this entity changed its name to Johnson & Johnson Consumer Inc. (“New JJCI”).⁵ The Debtor alleges that it is liable for injuries caused by J&J’s Shower-to-Shower.

3. On October 14, 2021 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Western District of North Carolina. The Debtor has continued in the operation of its business and the management of its property during the pendency of this chapter 11 case (the “Chapter 11 Case”).

4. On October 20, 2021, at the hearing on the Debtor’s various first-day motions (the “First Day Hearing”), the Court closed the hearing by noting that—should the Court determine that a transfer of venue to the District of New Jersey is ultimately appropriate—the Court “would probably reserve the right to let the U.S. Trustee and the bankruptcy judge up there” to review and reconsider the appointment and composition of any creditors’ committee or committees.⁶

5. On October 25, 2021, the Bankruptcy Administrator filed her motion to transfer venue of the Chapter 11 Case to the District of New Jersey. [Docket No. 205]. The next day, the Court entered the *Order to Appear and Show Cause Why Venue Should Not Be Transferred to*

³ See *id.* at ¶ 16.

⁴ Upon information and belief, the Debtor was formed to manage and defend thousands of talc-related claims and to oversee the operations of its subsidiary, Royalty A&M. Royalty A&M owns a portfolio of royalty revenue streams, including royalty revenue streams based on third-party sales of LACTAID®, MYLANTA®/ MYLICON® and ROGAINE® products. See First Day Declaration at ¶ 18.

⁵ *Id.*

⁶ Transcript of Hearing at 224:22–225:1, In re LTL Management LLC, Case No. 21-30589 (JCW) (Oct. 20, 2021).

Another District (the “Show Cause Order”) [Docket No. 208] and set hearing on the Show Cause Order for November 10, 2021.

6. On October 28, 2021, the Bankruptcy Administrator filed the Appointment Motion seeking to appoint an official committee of talc claimants (the “Committee”). The Committee is currently comprised of the following members: (i) Rebecca Love; (ii) Kellie Brewer; (iii) Tonya Whetsel; (iv) William A. Henry; (v) Darlene Evans; (vi) Patricia Cook; (vii) Alishia Landrum; (viii) Blue Cross Blue Shield of Massachusetts (“BCBSM”); (ix) Kristie Doyle; (x) Randy Derouen; and (xi) April Fair.

7. The Appointment Motion has been met with several responses, all containing requests to add additional claimants as Members of the Committee. [See Docket Nos. 240, 256, 258, 278, 279, 280, and 291]. Maune Raichle is among the entities seeking the appointment of an additional claimant to the Committee. [Docket No. 280]. Hearing upon the Appointment Motion has been set for November 4, 2021, at 9:30 A.M. Eastern (the “Hearing”).

8. Maune Raichle does not object to the appointment of the Committee in general, nor does it object to the requests by any other party to seek appointment of additional claimants to the Committee. However, Maune Raichle does not believe the currently-scheduled Hearing will provide adequate time—given other issues pending before the Court related to the automatic stay and injunctive relief—to address issues related to the constituency of the Committee, including the propriety of the inclusion of certain entities on the Committee and the appropriate number of committees that should be appointed. Moreover, issues related to venue will not be resolved at the upcoming Hearing.

9. Therefore, Maune Raichle files this Limited Objection to reserve its rights regarding the Appointment Motion and respectfully requests that any order appointing the

Committee, if one is entered, is without prejudice to, and affirmatively preserves all rights of, any party-in-interest to object to or seek reconsideration of the appointment or constituency of the Committee for a period of thirty (30) days after the later of (i) the entry of any Order appointing a Committee; or (ii) any Order transferring venue in this Chapter 11 proceeding to any other district. Such preservation would be consistent with the Court's prior statements from the First Day Hearing and would not prejudice the rights or interests of any party.

WHEREFORE, Maune Raichle respectfully requests that, if the Court enters an order granting the Appointment Motion, such order shall be explicitly without prejudice to the rights of any party-in-interest to object to or seek reconsideration of the appointment or constituency of the Committee for a period of thirty (30) days after the later of (i) the entry of any Order appointing a Committee; or (ii) any Order transferring venue in this Chapter 11 proceeding to any other district, and for any other and further relief that the Court deems just and proper.

Respectfully submitted, this the 3rd day of November, 2021.

**WALDREP WALL BABCOCK
& BAILEY PLLC**

/s/ Thomas W. Waldrep, Jr.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **LIMITED OBJECTION AND RESERVATION OF RIGHTS AS TO THE MOTION OF THE BANKRUPTCY ADMINISTRATOR TO APPOINT AN OFFICIAL COMMITTEE OF TALC CLAIMANTS** was filed electronically in accordance with the Local Rules and served upon all parties registered for electronic service via the CM/ECF system, including those parties listed below:

Shelly Abel
Bankruptcy Administrator

This the 3rd day of November, 2021.

**WALDREP WALL BABCOCK
& BAILEY PLLC**

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